

WEALTH DISTRIBUTION AND THE EMPOWERMENT OF VULNERABLE GROUPS IN THE QUR'AN: A CONTEXTUAL EXEGESIS OF ZAKAT AND WAQF FOR ADVANCING ISLAMIC FINANCIAL INCLUSION

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ABSTRACT: Financial exclusion limits the capacity of vulnerable groups to access productive resources, manage economic risks, and participate in development. Within Islamic economic thought, zakat and waqf offer complementary mechanisms for addressing deprivation and expanding economic opportunities. This study examines how contextual exegesis of Qur'anic teachings on wealth distribution can inform the integration of zakat and waqf into an ethically grounded framework for Islamic financial inclusion. Employing a qualitative, library-based research design, the study combines thematic Qur'anic interpretation with contextual and maqāṣid-oriented analysis. Selected verses concerning wealth circulation, zakat beneficiaries, charitable expenditure, and the protection of vulnerable people are examined alongside relevant Prophetic traditions, classical and contemporary exegesis, and Islamic social finance scholarship. The analysis distinguishes the Qur'an's explicit provisions on zakat from the broader charitable principles supporting waqf, whose institutional foundations are further elaborated in the Sunnah and Islamic jurisprudence. The proposed framework connects distributive entitlement, productive empowerment, institutional accountability, and access to appropriate financial services. Zakat is conceptualized as a mechanism for meeting eligible beneficiaries' immediate needs and supporting sustainable livelihoods, while waqf can provide enduring assets, public services, and complementary development infrastructure. Their integration requires preserving distinct legal mandates, beneficiary rights, and governance responsibilities. The study argues that meaningful inclusion extends beyond account ownership or financing uptake to encompass affordability, capability, dignity, and protection against harmful indebtedness. It contributes a Qur'an-centered interpretive foundation for evaluating Islamic social finance initiatives while identifying institutional coordination and beneficiary-centered assessment as priorities for subsequent empirical research.

Keywords: Wealth distribution; vulnerable groups; contextual Qur'anic exegesis; zakat; waqf; Islamic financial inclusion.

I. INTRODUCTION

Financial inclusion concerns people's ability to access and use appropriate financial services in ways that support their livelihoods, resilience, and economic participation. For vulnerable groups, exclusion can involve more than the absence of a bank account. Limited income, insecure employment, inadequate documentation, geographical barriers, disability, and restricted digital capabilities may prevent individuals from benefiting from available services. Access to financing can also create additional burdens when products are unsuitable or repayment obligations exceed customers' capacities [1]. These concerns make it necessary to examine financial inclusion through the quality of participation and its implications for human well-being. Within Islamic economic thought, financial inclusion is closely connected with the responsibilities governing wealth acquisition, ownership, circulation, and distribution. The Qur'an recognizes legitimate economic activity while establishing obligations toward people experiencing deprivation and hardship. This relationship provides a normative foundation for investigating whether financial arrangements expand meaningful opportunities and protect vulnerable members of society. Zakat and waqf are particularly relevant because they can mobilize resources through mechanisms that do not depend exclusively on conventional lending relationships. Their potential contribution nevertheless requires careful attention to their different legal foundations, institutional purposes, and beneficiary rights. The Qur'anic treatment of wealth distribution provides an important starting point. Qur'an 59:7 addresses the allocation of fay' and explicitly expresses concern about wealth circulating exclusively among the rich

[2]. Its immediate historical and legal context must be preserved. Extending its distributive significance to contemporary financial inclusion therefore requires a reasoned interpretation rather than assuming that the verse directly prescribes modern financial institutions. Read alongside passages concerning zakat, charitable expenditure, and social responsibility, it supports an investigation of how economic resources can circulate more broadly and benefit people with limited access to productive opportunities. Zakat has an explicit distributive foundation in Qur'an 9:60, which identifies its designated beneficiary categories. The inclusion of the poor, the needy, and qualifying debtors demonstrates that financial vulnerability encompasses different circumstances requiring differentiated responses. Qur'an 9:103 further connects the collection of charitable contributions with purification, while Qur'an 2:177 situates material assistance within a wider account of righteousness and responsibility. Together, these passages establish that the distribution of resources is a substantive dimension of religious commitment. However, translating them into contemporary empowerment programs requires examining eligibility, ownership entitlements, immediate needs, and the conditions under which recipients can benefit from productive assistance. Waqf requires a distinct account of its textual foundations. Unlike zakat, its developed institutional form is not explicitly prescribed in the Qur'an. Its normative foundations draw on broader teachings concerning charitable expenditure and enduring benefit, while its specific legal arrangements are elaborated through the Sunnah and Islamic jurisprudence. Qur'an 3:92, concerning expenditure from what one values, and Qur'an 2:261, concerning the multiplication of charitable benefit, provide relevant ethical

foundations. These passages should not be treated as direct descriptions of every waqf arrangement. Their significance lies in supporting an orientation toward committed giving and sustained social benefit. The complementary possibilities of zakat and waqf emerge from this distinction. Zakat can address eligible recipients' immediate deprivation and, where consistent with applicable jurisprudential requirements, support pathways toward sustainable livelihoods. Waqf can provide enduring assets and services, including educational facilities, healthcare, workspace, and other community infrastructure. Their coordination may therefore help connect immediate protection with longer-term opportunity. Such coordination does not authorize the unrestricted pooling of resources: zakat entitlements, waqf stipulations, ownership arrangements, and institutional responsibilities must remain identifiable. Empowerment also requires clarification [3]. Providing capital or training does not necessarily establish that beneficiaries have gained greater economic agency. Meaningful empowerment involves the capacity to make informed choices, maintain viable livelihoods, manage risks, and participate without degrading dependence or harmful indebtedness. Its assessment must consider differences among beneficiaries. An elderly person without earning capacity, a person with a disability, an indebted household, and a small entrepreneur may require substantially different forms of support. A uniform emphasis on entrepreneurship could overlook these differences and divert attention from legitimate needs for sustained assistance. Qur'anic teachings concerning the manner of giving reinforce this beneficiary-centered perspective. Qur'an 2:262–264 cautions against undermining charity through reminders of generosity or injury to recipients. These passages connect material assistance with respect for dignity. Qur'an 2:280, addressing debtors in hardship, also demonstrates the importance of circumstances when evaluating financial obligations. Applied contextually, these teachings invite scrutiny of program conditions, public representations of beneficiaries, repayment expectations, and administrative practices. The ethical quality of inclusion consequently concerns both the resources provided and the relationships through which assistance is delivered. Institutional accountability is equally significant. Qur'an 4:58 requires the faithful discharge of trusts and the exercise of justice, providing a normative basis for examining the responsibilities of those managing social resources. In zakat and waqf institutions, these responsibilities concern appropriate allocation, competent management, transparent reporting, and protection of beneficiary interests. Financial disbursement and asset accumulation alone cannot establish successful empowerment. Evaluation also requires evidence about accessibility, suitability, continuity of benefit, and the experiences of intended recipients. The central research problem is therefore how Qur'anic distributive teachings can inform a coherent understanding of financial inclusion while preserving the distinct mandates of zakat and waqf [4]. A contextual exegetical approach addresses this problem by examining selected passages through their linguistic meanings, immediate settings, relationships with other verses, and engagement with relevant Prophetic traditions. Contemporary applications are then developed through

explicit interpretive reasoning. This sequence helps prevent the use of isolated verses as retrospective justification for institutional models whose effects have not been established. Accordingly, this study investigates how contextual exegesis of Qur'anic teachings on wealth distribution can guide the complementary roles of zakat and waqf in empowering vulnerable groups. It asks what distributive principles emerge from the selected texts, how these principles relate to differentiated beneficiary needs, and what responsibilities should guide institutional coordination. The intended contribution is a Qur'an-centered conceptual framework connecting distributive entitlement, productive empowerment, institutional accountability, and access to appropriate financial services. The framework provides a foundation for subsequent empirical investigation of whether Islamic social finance initiatives improve beneficiaries' capabilities, dignity, and sustainable economic participation.

II. Research Objective

The main objective of this study is to develop a Qur'an-centered conceptual framework explaining how zakat and waqf can advance the empowerment of vulnerable groups and meaningful Islamic financial inclusion through contextual exegesis.

The specific objectives are to:

1. Examine Qur'anic principles governing wealth distribution, charitable expenditure, beneficiary rights, and the protection of vulnerable groups.
2. Clarify the distinct textual and jurisprudential foundations of zakat and waqf and their complementary roles in addressing deprivation.
3. Analyze how contextual interpretation can inform approaches to immediate assistance, productive empowerment, and sustainable economic participation.
4. Identify ethical and institutional responsibilities concerning beneficiary dignity, resource allocation, accountability, and coordination.
5. Formulate conceptual criteria for evaluating financial inclusion through accessibility, affordability, suitability, capabilities, and protection against harmful indebtedness.

III. Theoretical Foundation

This study grounds its theoretical framework in Qur'anic teachings on wealth distribution, social responsibility, justice, and human dignity. It examines zakat and waqf as distinct but potentially complementary institutions for addressing deprivation and expanding economic opportunities. Contextual exegesis connects these normative foundations with contemporary financial inclusion while preserving the differences between explicit textual provisions, jurisprudential elaboration, and proposed institutional applications.

1. Wealth Ownership and Distributive Responsibility

The Qur'an recognizes legitimate ownership and exchange while placing economic activity within a framework of moral responsibility. Qur'an 4:29 prohibits wrongful appropriation and recognizes trade conducted through mutual consent. Qur'an 57:7 encourages expenditure from resources over which people have been entrusted. Together, these passages support an understanding of ownership that combines legitimate rights with responsibilities toward others. The

study interprets this relationship as a foundation for responsible wealth stewardship. Individuals may acquire, retain, and develop wealth through lawful means, while particular religious obligations and broader charitable responsibilities shape its use. This does not imply that all private resources are subject to unrestricted redistribution. It establishes that ownership cannot be evaluated independently of the rights and obligations attached to it. For Islamic financial inclusion, the theoretical implication is that access to resources concerns both participation in commercial exchange and the distributive mechanisms available to those unable to participate on ordinary market terms [5].

2. Wealth Circulation and Economic Justice

Qur'an 59:7 addresses the distribution of *fay'* and expresses concern about wealth circulating exclusively among the rich. Its immediate legal context remains essential. Applying its distributive significance to contemporary institutions requires examining how that concern relates to other Qur'anic provisions on giving, entitlement, and economic relationships. Read alongside Qur'an 9:60 and 2:177, the passage provides a basis for investigating whether economic arrangements permit resources to reach people experiencing deprivation. The resulting theoretical orientation concerns equitable circulation, rather than the assumption that justice requires identical wealth holdings. This distinction permits attention to differences in needs, capabilities, and circumstances. Distributive justice may require different forms of assistance for different groups. A household facing food insecurity may need immediate support, while a viable enterprise may benefit from productive resources. Neither response should be treated as universally appropriate [6].

3. Zakat as a Rights-Based Distributive Institution

Zakat has an explicit textual basis in Qur'an 9:60, which identifies eight categories of recipients. These categories establish boundaries for distribution and demonstrate that eligibility cannot be reduced to a single measure of income. Poverty, indebtedness, displacement during travel, and other recognized circumstances may create different claims requiring careful assessment. Qur'an 70:24–25 further describes a recognized claim in wealth for those who ask and those who are deprived. Interpreters differ concerning the precise relationship of this passage to obligatory zakat and broader giving. The study therefore uses it to illuminate distributive responsibility while retaining Qur'an 9:60 as the principal reference for zakat allocation. Zakat is consequently conceptualized as an institution involving eligible beneficiaries' entitlements, rather than assistance determined solely by donor preference. This orientation directs attention toward eligibility assessment, timely distribution, appropriate delivery, and protection against administrative practices that undermine recipients' rights. Productive zakat requires additional jurisprudential analysis. Providing business assets, financing arrangements, or training cannot automatically be assumed to satisfy distribution requirements. Such programs must address beneficiary eligibility, ownership or *tamlik* where required, immediate needs, implementation risks, and applicable scholarly rulings. Productive empowerment is therefore a possible application under specified conditions [7].

4. Waqf as an Institution of Enduring Benefit

Waqf draws ethical support from Qur'anic teachings on charitable expenditure, including Qur'an 3:92 and 2:261. These passages encourage giving and recognize its beneficial significance, but they do not independently prescribe the developed legal structure of waqf. Its institutional foundations are further elaborated through the Sunnah, particularly the report concerning 'Umar's property at Khaybar, and subsequent jurisprudence. The central institutional idea concerns preserving an endowed asset or legally recognized endowment arrangement while directing its benefits toward designated purposes, subject to the relevant legal framework. This study conceptualizes waqf as a means of supporting continuity of benefit. Educational services, healthcare, community facilities, and productive assets may strengthen capabilities and reduce costs that otherwise restrict economic participation. Their contribution depends on the endowment's purpose, competent management, asset sustainability, and beneficiaries' actual access. Waqf does not always target people who qualify for zakat. Beneficiaries and permissible expenditures depend on the endowment's valid stipulations and applicable jurisprudence. Institutional complementarity must therefore preserve these differences [8].

5. Vulnerability and Differentiated Empowerment

Vulnerability is understood as exposure to deprivation or economic shocks combined with limited capacity to respond. It can involve inadequate income, illness, disability, insecure livelihoods, debt distress, or restricted access to essential services. These conditions may overlap, but they should not be treated as interchangeable. Qur'an 9:60 provides textual grounds for distinguishing beneficiary circumstances. Qur'an 2:273 also draws attention to people whose deprivation may remain unrecognized because they do not insistently request assistance. This supports scrutiny of identification procedures that depend exclusively on visible demand or self-registration.

The framework distinguishes two complementary responses:

Table 1. Framework Research

Response	Principal purpose	Illustrative application
Protective support	Address immediate deprivation and prevent deterioration	Essential consumption, healthcare, and eligible debt assistance
Enabling support	Strengthen capabilities and sustainable participation	Suitable productive assets, skills, education, and access to services

Sources: Authors, 2026

Empowerment does not require every recipient to become an entrepreneur or financially self-sufficient. For some groups, dignified and sustained assistance remains an appropriate objective. The relevant question is whether support fits the beneficiary's circumstances and expands meaningful choices.

6. Dignity and the Ethics of Assistance

Qur'an 2:262–264 warns against undermining charitable giving through reminders of generosity or injury. These teachings connect the value of assistance with the manner in which recipients are treated. The study interprets dignity as a substantive condition of empowerment. Beneficiaries should not be reduced to promotional representations, pressured into unsuitable programs, or subjected to unnecessary disclosure of personal circumstances. Their preferences and experiences

are relevant to evaluating assistance. This principle also qualifies financial inclusion initiatives. Increasing participation has limited ethical value when participation is coercive, humiliating, or harmful. Beneficiary-centered assessment therefore considers respectful treatment, informed choice, accessibility, and opportunities to raise concerns.

7. Accountability and Institutional Trust

Qur'an 4:58 requires the fulfillment of trusts and the exercise of justice. Applied to zakat and waqf management, it provides a normative foundation for examining institutional authority, resource allocation, and stewardship. Accountability includes financial accuracy and extends to explaining decisions, identifying responsibilities, and correcting failures. Zakat managers must demonstrate appropriate allocation, while waqf managers must protect endowed resources and administer benefits consistently with valid purposes. The framework distinguishes outputs, such as funds distributed or services delivered, from outcomes, such as improved financial resilience or sustained access to education. Reporting outputs alone does not establish empowerment. Outcome claims require evidence about beneficiaries' circumstances and changes over time.

8. Meaningful Islamic Financial Inclusion

This study defines meaningful Islamic financial inclusion as the ability to access and use suitable, affordable, and ethically administered financial services or social finance support that strengthens economic participation without imposing unjustified harm. This definition distinguishes participation from benefit. Account ownership, financing uptake, and digital registration are relevant indicators, but they cannot independently establish improved well-being.

Table 2. Inclusion dimension

Inclusion dimension	Evaluative question
Accessibility	Can intended beneficiaries obtain support despite geographical, administrative, or digital barriers?
Affordability	Are direct and indirect costs manageable?
Suitability	Does the support match beneficiaries' needs and capabilities?
Capability	Can beneficiaries understand and use the available resources effectively?
Protection	Are beneficiaries safeguarded against deception, harmful obligations, and inappropriate exclusion?
Agency and dignity	Can beneficiaries make meaningful choices and raise concerns?

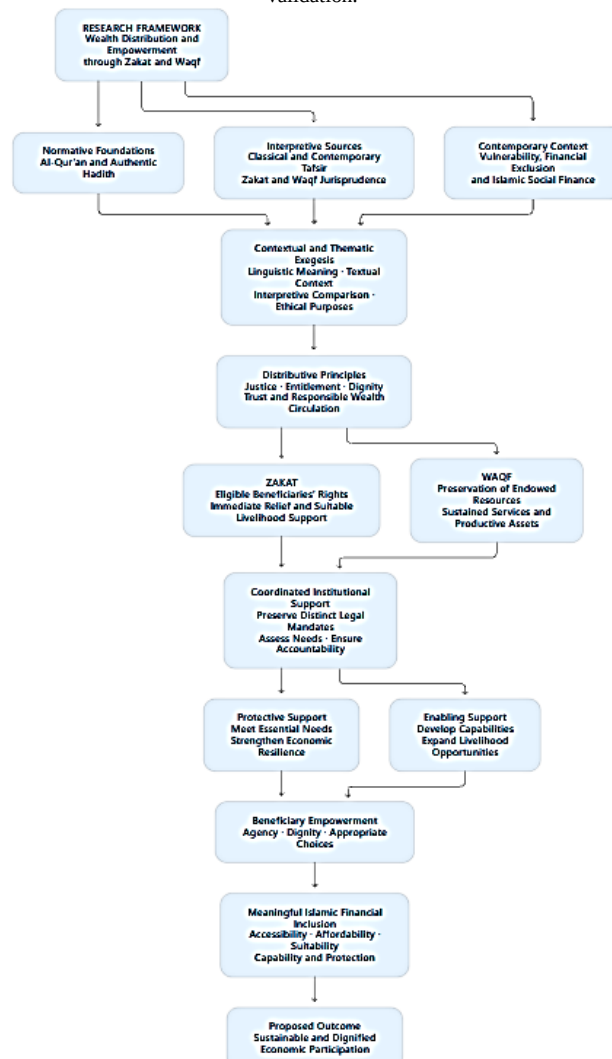
Sources; Authors, 2026

9. Integration of Zakat and Waqf

The proposed framework connects zakat's distributive functions with waqf's capacity to sustain assets and services. Their complementarity concerns coordinated assistance while maintaining separate legal identities and responsibilities. For example, eligible zakat assistance may address household deprivation while a waqf-supported educational facility provides accessible training. Whether such coordination succeeds depends on beneficiary needs, legal permissibility, institutional competence, and evidence of benefit. The framework's central proposition is that zakat and waqf can advance meaningful financial inclusion when distribution respects beneficiary entitlements, assistance strengthens appropriate capabilities, and governance protects dignity and resources. This is a conceptual proposition requiring

subsequent empirical examination, rather than an assumption that institutional integration necessarily produces empowerment.

Figure 1. Proposed conceptual research framework. Connections represent interpretive stages and proposed relationships requiring empirical validation.



IV. Research Methodology

This study adopts a qualitative, library-based research design integrating contextual Qur'anic exegesis, thematic interpretation (*tafsīr mawḍūʿī*), and qualitative document analysis. It examines how Qur'anic teachings on wealth distribution can inform the complementary roles of zakat and waqf in empowering vulnerable groups and advancing Islamic financial inclusion. The analysis combines interpretive inquiry into textual meanings with normative inquiry into contemporary institutional responsibilities. A maqāṣid-oriented perspective supports the identification of ethical purposes while preserving specific provisions and jurisprudential distinctions. The unit of analysis comprises textual passages, exegetical arguments, legal positions, and institutional provisions. The intended outcome is a conceptual framework rather than an empirical measurement of program effectiveness. The research corpus comprises Qur'anic passages, relevant authenticated Prophetic traditions, classical and contemporary tafsir, jurisprudential scholarship, and

contemporary Islamic social finance research. The initial Qur'anic selection includes 59:7 on wealth circulation within the allocation of *fay'*; 9:60 and 9:103 on zakat; 2:177, 2:261, 3:92, and 57:7 on giving and responsibility; 2:262–264 on dignity in assistance; 2:273 on less visible deprivation; 2:280 on debt hardship; and 4:58 on trust and justice [9]. Relevant hadith include the report concerning 'Umar's property at Khaybar as a foundation for examining waqf. Selected interpretations from al-Ṭabarī, al-Qurṭubī, Ibn Kathīr, Ibn 'Āshūr, and contemporary exegetes provide comparative perspectives. Jurisprudential sources clarify beneficiary eligibility, ownership requirements, productive zakat, valid waqf stipulations, and managerial obligations, with disagreements explicitly documented. Data collection follows a structured, purposive search of Scopus and other accessible academic databases, supplemented by scholarly repositories, publisher websites, and official institutional sources. Contemporary literature is searched from January 2016 to the final search date, while earlier foundational studies and classical works remain eligible. Search terms combine “zakat,” “waqf,” “wealth distribution,” “vulnerable groups,” “empowerment,” “financial inclusion,” “contextual exegesis,” and their Arabic and Indonesian equivalents. Sources are screened for relevance, verifiability, methodological clarity, and substantive contribution. Duplicate records, unrelated publications, and unsupported promotional claims are excluded. A search log records databases, dates, expressions, and selection decisions, while an extraction matrix captures textual context, principal arguments, supporting evidence, beneficiary implications, institutional responsibilities, and interpretive qualifications. Analysis proceeds through thematic organization, linguistic examination, contextual interpretation, comparison of exegetical arguments, jurisprudential differentiation, and conceptual synthesis. Key terms are examined within their textual settings rather than automatically equated with contemporary policy categories. Each proposed institutional application follows an explicit reasoning sequence connecting textual foundations, contextual meanings, ethical principles, contemporary problems, and limits of inference. Deductive coding initially addresses entitlement, protective assistance, enabling support, dignity, stewardship, inclusion quality, and protection against harm; inductive coding accommodates additional themes and counterarguments. Zakat and waqf are analyzed separately before their complementary possibilities are considered, ensuring that coordination preserves their distinct legal mandates. Findings are synthesized into four dimensions: distributive entitlement, appropriate empowerment, institutional accountability, and meaningful financial inclusion. Trustworthiness is strengthened through comparison across source types, documentation of interpretive disagreements, and an audit trail recording source selection, coding revisions, and analytical decisions. Reflexive notes address assumptions concerning poverty, entrepreneurship, self-sufficiency, and institutional integration [10]. Particular attention is given to evidence that challenges the emerging framework and to differences among beneficiary circumstances. Since the study uses published materials, it does not involve direct participant recruitment or

identifiable beneficiary records; subsequent interviews or institutional investigations would require appropriate ethical procedures. Limitations include purposive selection, language coverage, interpretive judgment, and jurisdictional differences. Accordingly, the framework establishes a textually grounded basis for evaluation, while claims concerning improved livelihoods, resilience, or economic participation require subsequent empirical investigation. This study adopts a qualitative, library-based research design integrating contextual Qur'anic exegesis, thematic interpretation (*tafsīr mawḍū'ī*), and qualitative document analysis. It examines how Qur'anic teachings on wealth distribution can inform the complementary roles of zakat and waqf in empowering vulnerable groups and advancing Islamic financial inclusion. The analysis combines interpretive inquiry into textual meanings with normative inquiry into contemporary institutional responsibilities. A maqāsid-oriented perspective supports the identification of ethical purposes while preserving specific provisions and jurisprudential distinctions. The unit of analysis comprises textual passages, exegetical arguments, legal positions, and institutional provisions. The intended outcome is a conceptual framework rather than an empirical measurement of program effectiveness. The research corpus comprises Qur'anic passages, relevant authenticated Prophetic traditions, classical and contemporary tafsir, jurisprudential scholarship, and contemporary Islamic social finance research. The initial Qur'anic selection includes 59:7 on wealth circulation within the allocation of *fay'*; 9:60 and 9:103 on zakat; 2:177, 2:261, 3:92, and 57:7 on giving and responsibility; 2:262–264 on dignity in assistance; 2:273 on less visible deprivation; 2:280 on debt hardship; and 4:58 on trust and justice. Relevant hadith include the report concerning 'Umar's property at Khaybar as a foundation for examining waqf. Selected interpretations from al-Ṭabarī, al-Qurṭubī, Ibn Kathīr, Ibn 'Āshūr, and contemporary exegetes provide comparative perspectives. Jurisprudential sources clarify beneficiary eligibility, ownership requirements, productive zakat, valid waqf stipulations, and managerial obligations, with disagreements explicitly documented. Data collection follows a structured, purposive search of Scopus and other accessible academic databases, supplemented by scholarly repositories, publisher websites, and official institutional sources. Contemporary literature is searched from January 2016 to the final search date, while earlier foundational studies and classical works remain eligible. Search terms combine “zakat,” “waqf,” “wealth distribution,” “vulnerable groups,” “empowerment,” “financial inclusion,” “contextual exegesis,” and their Arabic and Indonesian equivalents. Sources are screened for relevance, verifiability, methodological clarity, and substantive contribution. Duplicate records, unrelated publications, and unsupported promotional claims are excluded. A search log records databases, dates, expressions, and selection decisions, while an extraction matrix captures textual context, principal arguments, supporting evidence, beneficiary implications, institutional responsibilities, and interpretive qualifications. Analysis proceeds through thematic organization, linguistic examination, contextual interpretation, comparison of

exegetical arguments, jurisprudential differentiation, and conceptual synthesis. Key terms are examined within their textual settings rather than automatically equated with contemporary policy categories. Each proposed institutional application follows an explicit reasoning sequence connecting textual foundations, contextual meanings, ethical principles, contemporary problems, and limits of inference. Deductive coding initially addresses entitlement, protective assistance, enabling support, dignity, stewardship, inclusion quality, and protection against harm; inductive coding accommodates additional themes and counterarguments. Zakat and waqf are analyzed separately before their complementary possibilities are considered, ensuring that coordination preserves their distinct legal mandates. Findings are synthesized into four dimensions: distributive entitlement, appropriate empowerment, institutional accountability, and meaningful financial inclusion. Trustworthiness is strengthened through comparison across source types, documentation of interpretive disagreements, and an audit trail recording source selection, coding revisions, and analytical decisions. Reflexive notes address assumptions concerning poverty, entrepreneurship, self-sufficiency, and institutional integration. Particular attention is given to evidence that challenges the emerging framework and to differences among beneficiary circumstances. Since the study uses published materials, it does not involve direct participant recruitment or identifiable beneficiary records; subsequent interviews or institutional investigations would require appropriate ethical procedures. Limitations include purposive selection, language coverage, interpretive judgment, and jurisdictional differences. Accordingly, the framework establishes a textually grounded basis for evaluation, while claims concerning improved livelihoods, resilience, or economic participation require subsequent empirical investigation.

V. Analysis and Results

The conceptual analysis identifies wealth distribution as a relationship between legitimate ownership and social responsibility. Qur'an 4:29 protects wealth against wrongful appropriation, while Qur'an 57:7 encourages expenditure from entrusted resources. Read together, these passages provide a foundation for understanding economic resources as subject to both individual rights and moral obligations [11]. Financial inclusion consequently concerns access to commercial services alongside distributive arrangements that support people unable to participate on ordinary market terms. This interpretation does not establish unrestricted redistribution; it directs attention to the specific rights, responsibilities, and institutional purposes governing resource allocation. The findings presented here remain interpretive propositions rather than empirically verified program outcomes. The contextual reading of Qur'an 59:7 highlights wealth circulation as a significant distributive concern. The verse addresses *fay'*, making its immediate legal setting essential to interpretation. Its broader relevance emerges through a reasoned connection with passages concerning zakat, charitable expenditure, and assistance to disadvantaged people [12]. This synthesis supports examining whether institutional arrangements expand access to resources or reinforce their concentration among already advantaged

groups. Equitable circulation does not necessarily require identical wealth holdings. It requires attention to defensible allocation, differentiated needs, and opportunities for participation. Applying this principle to contemporary Islamic social finance therefore involves evaluating who receives benefits, who remains excluded, and how allocation decisions are justified. Zakat emerges as an institution structured around designated beneficiary categories rather than donor preference alone. Qur'an 9:60 establishes the principal allocation framework and recognizes circumstances extending beyond income poverty, including qualifying indebtedness and travel-related need [13]. The conceptual implication is that beneficiary identification must examine the relevant category and circumstances before determining an appropriate intervention. General descriptions such as "vulnerable" or "financially excluded" do not independently establish zakat eligibility. This distinction protects the specificity of zakat while supporting careful assessment of deprivation. Institutionally, it directs attention toward transparent eligibility procedures, timely allocation, accessible application processes, and safeguards against excluding eligible people whose needs are difficult to document [14]. The analysis also qualifies the relationship between zakat and productive empowerment. Providing capital, equipment, or training may support sustainable livelihoods, but productive assistance is not automatically appropriate for every eligible recipient. Immediate deprivation, health conditions, capabilities, preferences, and market opportunities affect whether such interventions are suitable. Jurisprudential requirements concerning allocation and ownership must also be addressed. The resulting finding is that productive zakat should be understood as a conditional pathway within a wider distributive responsibility. Its success cannot be inferred from the amount invested or the number of enterprises established. Claims of empowerment require evidence concerning business viability, household well-being, recipient control over resources, and exposure to additional risks. Waqf provides a complementary institutional possibility through the continuity of endowed benefits. Qur'anic teachings on charitable expenditure offer an ethical orientation, while the Sunnah and jurisprudence elaborate its institutional arrangements. The report concerning 'Umar's property at Khaybar provides a foundation for examining the preservation of endowed resources and distribution of benefits. Within the proposed framework, waqf-supported education, healthcare, workspace, or community infrastructure may reduce barriers to economic participation[16]. These benefits remain contingent on valid stipulations, competent management, accessibility, and asset sustainability. An endowed building or investment portfolio does not independently demonstrate social benefit; assessment must establish whether intended beneficiaries can obtain and meaningfully use the services generated. A further finding concerns the differentiated character of vulnerability. Qur'an 2:273 draws attention to deprivation that may remain unrecognized because people do not persistently request assistance. Read alongside the beneficiary categories in Qur'an 9:60, this supports examining identification procedures that extend beyond visible demand.

Administrative systems relying exclusively on online applications, documentation, or self-registration may overlook people facing literacy, mobility, or connectivity barriers [17]. This is a proposed contemporary application rather than an explicit administrative prescription in the verses. The framework consequently distinguishes protective assistance addressing immediate needs from enabling assistance strengthening capabilities, while recognizing that some beneficiaries require both and others appropriately need sustained support. Beneficiary dignity emerges as a substantive condition of ethically justified assistance. Qur'an 2:262–264 warns against undermining giving through reminders of generosity or injury. Applied contextually, these teachings support scrutiny of humiliating publicity, intrusive disclosure requirements, coercive participation, and program conditions that disregard recipient circumstances. Empowerment therefore includes agency and respectful treatment alongside material improvement. Beneficiaries should have appropriate opportunities to express preferences, understand available support, and raise concerns. This interpretation also challenges a uniform expectation of entrepreneurial independence. For people unable to undertake productive activity, reliable assistance can represent a legitimate achievement rather than evidence of program failure or inadequate personal effort. Institutional accountability connects these distributive principles with management responsibilities. Qur'an 4:58 requires the faithful discharge of trusts and the exercise of justice, providing a normative basis for examining allocation, asset administration, and oversight. The analysis distinguishes financial compliance, service delivery, and beneficiary outcomes. Accurate accounts demonstrate one aspect of stewardship, while disbursement totals establish outputs; neither independently proves improved resilience or capability. Zakat and waqf institutions consequently require evidence appropriate to their respective mandates. Relevant questions concern whether allocation respects eligibility, whether endowed benefits follow valid purposes, whether administrative costs are justified, and whether complaints or identified failures produce corrective action. The proposed complementarity between zakat and waqf rests on coordination that preserves their distinct legal identities. For example, eligible zakat assistance may address household deprivation while waqf-supported services reduce educational or healthcare barriers. Such coordination could connect immediate protection with longer-term opportunity, but its benefits cannot be assumed. Restrictions on beneficiaries, allocation, ownership, and endowment purposes may limit particular arrangements. The conceptual finding is therefore that integration should be assessed through legal compatibility, beneficiary suitability, clear responsibilities, and traceable resource flows. Institutional collaboration becomes defensible when it improves the coherence of assistance without obscuring entitlements, weakening stewardship, or transferring inappropriate burdens to recipients. The overall result is a conceptual framework linking distributive entitlement, appropriate empowerment, institutional accountability, and meaningful Islamic financial inclusion. Inclusion is evaluated through accessibility,

affordability, suitability, capability, protection, and agency, rather than account ownership or financing uptake alone. Within this framework, zakat addresses recognized distributive claims, while waqf can sustain complementary assets and services. Their contribution depends on contextual interpretation, jurisprudential consistency, and implementation responsive to beneficiary circumstances. The study provides a Qur'an-centered foundation for evaluating these relationships, but does not establish causal effects. Subsequent research should examine institutional records and beneficiary experiences to determine whether proposed arrangements improve dignity, resilience, and sustainable economic participation [18].

A further analytical distinction concerns financial inclusion as a means and human well-being as an objective. Participation in financial services can facilitate payments, savings, and productive activity, but participation alone does not establish empowerment. A recipient may acquire an account while remaining unable to meet essential needs or manage financial shocks. Within the proposed Qur'an-centered framework, inclusion should therefore be evaluated through its contribution to legitimate beneficiary interests. This interpretation connects access with suitability, dignity, and protection, while avoiding the assumption that greater engagement with financial markets necessarily improves every recipient's circumstances [19]. The relationship between immediate assistance and long-term empowerment also requires careful sequencing. Households facing food insecurity, urgent healthcare expenses, or unstable shelter may have limited capacity to benefit from enterprise development. Requiring productive participation before addressing these conditions could transfer excessive risk to recipients. The framework consequently proposes assessing essential needs before selecting an intervention. Protective assistance and enabling support may operate sequentially or simultaneously, depending on circumstances. This is a proposed implementation principle rather than a universal requirement that every zakat program follow an identical progression from consumption support to entrepreneurship. Another implication concerns the allocation of commercial risk. Productive assistance can expose beneficiaries to uncertain demand, price fluctuations, illness, and business failure. Where programs involve repayment or revolving arrangements, the legal structure and its compatibility with zakat requirements require explicit examination. Empowerment should not be inferred merely because resources finance an income-generating activity. Evaluation must consider who bears losses, whether participation is voluntary, and what happens when an enterprise fails. The framework favors arrangements whose risks are understandable and appropriate to recipients' capacities, without presuming that any single financing model is suitable across beneficiary groups.

Beneficiary agency introduces a further dimension beyond institutional targeting. Administratively efficient programs may still overlook recipients' knowledge of household responsibilities, local markets, and personal constraints. Consultation can help identify whether a proposed asset, training course, or service is useful. However, consultation

should involve a genuine opportunity to influence decisions rather than formal acceptance of a predetermined intervention. Within the study's interpretation of dignity and appropriate empowerment, beneficiary preferences constitute relevant evidence alongside professional assessment and legal requirements. Institutions must explain decisions transparently when preferences cannot be accommodated within available resources or permissible allocations. The analysis also identifies less visible exclusion within eligibility systems. People with severe needs may lack identity documents, stable addresses, digital connectivity, or the confidence to approach institutions. Others may avoid public disclosure because of stigma. Qur'an 2:273 provides an interpretive basis for taking unrecognized deprivation seriously, although it does not prescribe a particular identification technology. The contemporary application is to examine whether registration and verification procedures disproportionately exclude eligible people. Outreach, assisted applications, and proportionate documentation may improve access, but their effectiveness and integrity require assessment rather than assumption. The contribution of waqf can also be understood through indirect reductions in household burdens. Affordable education, accessible healthcare, or community facilities may free resources that households would otherwise spend on essential services [20]. These benefits can strengthen economic participation without transferring business capital directly. Nevertheless, a waqf-supported service should not automatically be classified as financial inclusion. The argument requires demonstrating a plausible connection between the service and beneficiaries' ability to access or use appropriate financial resources. This distinction preserves conceptual clarity while recognizing that economic capabilities depend on conditions extending beyond financial products. A further concern is coordination without displacement of responsibility. Collaboration among zakat institutions, nazhir, public agencies, and financial service providers may reduce fragmented assistance. Yet partnerships can also obscure which organization determines eligibility, safeguards resources, handles complaints, or monitors outcomes. The proposed framework therefore requires clearly assigned responsibilities and compatible information-sharing arrangements. Coordination should also avoid assuming that charitable resources can substitute for every public obligation or commercial service. Its value lies in addressing identifiable gaps within distinct institutional mandates, with evidence that cooperation improves assistance rather than merely increasing organizational complexity. Resource mobilization and beneficiary protection may create competing pressures. Institutions seeking donations may emphasize emotionally compelling stories, visible projects, or easily reported achievements. Such practices can direct attention toward fundraising priorities while exposing beneficiaries to intrusive publicity or neglecting less visible needs. Qur'an 2:262–264 supports examining whether the presentation and delivery of assistance injure recipients' dignity. The institutional implication is to assess communication practices alongside allocation decisions. Consent, privacy, and respectful representation require particular attention where recipients may feel unable to refuse

publicity because assistance depends on the organization requesting it. The framework further requires measurement that distinguishes improvement from program attribution. A beneficiary's income may rise because of changing employment conditions, household support, public assistance, or broader economic recovery. Observing improvement after receiving zakat or waqf benefits does not establish that the intervention caused it. Subsequent empirical research should specify baseline conditions, follow-up periods, outcome definitions, and alternative explanations. Where feasible, suitable comparison strategies can strengthen inference. Qualitative evidence remains valuable for explaining experiences, barriers, and unintended consequences, but it should complement rather than substitute for evidence supporting quantitative claims. Taken together, these considerations position institutional complementarity as a conditional proposition. Zakat and waqf may connect immediate protection with enduring services and appropriate livelihood opportunities, but successful coordination depends on legal compatibility, beneficiary circumstances, competent stewardship, and demonstrable benefit. The conceptual contribution is an evaluative approach that asks whether assistance respects entitlements, expands meaningful choices, and avoids unjustified burdens. These relationships remain open to empirical examination. Their assessment should preserve the distinction between religious legitimacy, administrative performance, and beneficiary well-being, allowing each dimension to contribute evidence without treating success in one as proof of success in all.

V. CONCLUSION

This study develops a Qur'an-centered conceptual framework explaining how zakat and waqf can contribute to the empowerment of vulnerable groups and meaningful Islamic financial inclusion. Contextual interpretation connects wealth distribution with legitimate ownership, beneficiary entitlements, dignity, and institutional responsibility. The central argument is that access to resources should be evaluated through its suitability and contribution to beneficiaries' well-being, rather than participation or disbursement figures alone. Zakat and waqf offer distinct but potentially complementary contributions. Zakat addresses designated beneficiary categories and can support immediate needs and appropriate livelihood opportunities within applicable jurisprudential requirements. Waqf can sustain assets and services that strengthen capabilities and reduce barriers to economic participation. Their coordination requires preserving separate legal mandates, ownership arrangements, valid endowment stipulations, and identifiable management responsibilities. Empowerment requires differentiated responses to vulnerability. Productive assistance may benefit recipients with suitable capabilities and opportunities, while others appropriately require sustained protective support. Beneficiary agency, respectful treatment, and protection against harmful obligations remain essential considerations. Financial inclusion therefore encompasses accessibility, affordability, suitability, capability, and meaningful choice, alongside opportunities to raise concerns and seek correction. The contextual evidence

illustrates the scale of financial exclusion and Islamic social finance activity, but does not establish the effectiveness of particular interventions. Fundraising, asset accumulation, service delivery, and beneficiary outcomes represent different dimensions of performance. Institutional accountability requires transparent reporting that distinguishes these dimensions and examines whether benefits persist. Claims concerning poverty reduction or improved livelihoods must also consider alternative explanations and the methods used to assess change. The study contributes an interpretive foundation linking Qur'anic distributive ethics with contemporary evaluation of zakat and waqf. Its conclusions remain conceptual and do not demonstrate causal relationships or validate specific institutional arrangements. Future research should compare interpretations systematically, refine assessment criteria, and investigate implementation through institutional records and beneficiary experiences. Such inquiry can determine whether coordinated assistance protects entitlements, strengthens resilience, and supports sustainable, dignified economic participation.

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